



GENERAL ASSEMBLY OF THE STATE OF TENNESSEE

FISCAL REVIEW COMMITTEE

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MEMORANDUM

TO: The Honorable Dave Goetz, Commissioner
Department of Finance and Administration

FROM: Bill Ketron, Chairman, Fiscal Review Committee
Charles Curtiss, Vice-Chairman, Fiscal Review Committee

DATE: November 12, 2010

SUBJECT: **Contract Comments**
(Fiscal Review Committee Meeting 11/9/10)

BK CC

RFS# 329.01-16507 (Edison # 6674)

Department: Correction

Contractor: MHM Correctional Services, Inc.

Summary: This vendor currently provides mental health services for offenders incarcerated at the 12 state-managed institutions. The proposed amendment extends the current contract an additional year through December 31, 2011, and increases the maximum liability by \$6,653,300.

Current maximum liability: \$23,558,200

Proposed maximum liability: \$30,211,500

After review, the Fiscal Review Committee voted to approve the contract amendment with the stipulation that the increase in maximum liability be limited to \$2.3 million for a total remaining maximum liability of \$6,732,716.

cc: The Honorable Gayle Ray, Commissioner
Mr. Robert Barlow, Director, Office of Contracts Review